



The Commercial Bank (P.S.Q.C.)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2025



KPMG
Zone 25 C Ring Road
Street 230, Building 246
P.O Box 4473, Doha
State of Qatar
Telephone: +974 4457 6444
Fax: +974 4436 7411
Website: kpmg.com/qa

Independent auditor's report on review of interim condensed consolidated financial statements

To the Board of Directors of The Commercial Bank (P.S.Q.C.)

Introduction

We have reviewed the accompanying 30 June 2025 interim condensed consolidated financial statements of The Commercial Bank (P.S.Q.C.) (the "Bank") and its subsidiaries (together the "Group"), which comprise:

- the interim consolidated statement of financial position as at 30 June 2025;
- the interim consolidated statement of income for the three-month and six-month periods ended 30 June 2025;
- the interim consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2025;
- the interim consolidated statement of changes in equity for the six-month period ended 30 June 2025;
- the interim consolidated statement of cash flows for the six-month period ended 30 June 2025; and
- notes to the interim condensed consolidated financial statements.

The Board of Directors of the Bank is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

16 July 2025
Doha
State of Qatar


Gopal Balasubramaniam
KPMG

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Auditor's License No. 120153




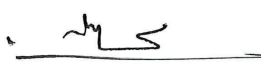
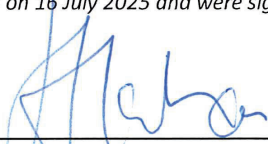
The Commercial Bank (P.S.Q.C.)
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025



QAR '000s

	Notes	30-Jun-2025 Reviewed	30-Jun-2024 Reviewed	31-Dec-2024 Audited
ASSETS				
Cash and balances with central banks		7,834,450	7,732,565	7,306,830
Due from banks		21,258,562	19,290,281	20,705,383
Loans and advances to customers	6	103,787,570	92,104,935	91,480,008
Investment securities	7	35,805,446	28,418,672	33,228,625
Investment in associates and a joint arrangement	8	3,842,954	3,490,094	3,659,348
Property and equipment		2,977,234	3,104,928	3,085,020
Intangible assets		98,303	71,392	88,517
Other assets		6,459,640	6,582,446	6,259,265
TOTAL ASSETS		182,064,159	160,795,313	165,812,996
LIABILITIES				
Due to banks	9	22,171,933	16,075,883	20,840,281
Customer deposits	10	83,538,624	77,198,806	77,006,817
Debt securities	11	11,423,812	9,319,471	10,734,890
Other borrowings	12	24,462,828	22,979,553	24,729,655
Other liabilities		14,149,968	10,009,358	6,012,609
TOTAL LIABILITIES		155,747,165	135,583,071	139,324,252
EQUITY				
Share capital	13a	4,047,254	4,047,254	4,047,254
Legal reserve		10,236,265	10,217,123	10,203,933
General reserve		26,500	26,500	26,500
Risk reserve		2,274,574	2,274,574	2,274,574
Fair value reserve		(464,995)	(527,293)	(557,990)
Cash flow hedge reserve		(8,640)	(38,603)	(6,127)
Foreign currency translation reserve		(2,799,105)	(2,548,003)	(2,464,328)
Other reserves		1,564,446	1,249,088	1,420,600
Revaluation reserve		1,259,946	1,202,965	1,251,466
Employee incentive phantom scheme shares	13b	(1,114,988)	(1,114,988)	(1,114,988)
Retained earnings		5,475,734	4,603,622	5,587,847
Instruments eligible for Additional Tier 1 Capital		5,820,000	5,820,000	5,820,000
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK		26,316,991	25,212,239	26,488,741
Non-controlling interests		3	3	3
TOTAL EQUITY		26,316,994	25,212,242	26,488,744
TOTAL LIABILITIES AND EQUITY		182,064,159	160,795,313	165,812,996

The interim condensed consolidated financial statements were approved by the Board of Directors on 16 July 2025 and were signed on its behalf by:

 Sheikh Abdulla Bin Ali Bin Jabor Al Thani Chairman	 Mr. Mohd Ismail Mandani Al Emadi Member	 Mr. Joseph Abraham Group Chief Executive Officer
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The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.



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		Three months ended		Six months ended	
		30-Jun-2025	30-Jun-2024	30-Jun-2025	30-Jun-2024
	Notes	Reviewed	Reviewed	Reviewed	Reviewed
Interest income		2,357,917	2,398,690	4,629,345	4,830,171
Interest expense		(1,529,223)	(1,489,707)	(3,018,981)	(2,963,494)
Net interest income		828,694	908,983	1,610,364	1,866,677
Fee and commission income		442,208	461,174	862,773	832,285
Fee and commission expense		(200,696)	(194,729)	(370,449)	(363,613)
Net fee and commission income		241,512	266,445	492,324	468,672
Net foreign exchange loss		(24,346)	(22,155)	(50,765)	(38,958)
Net income from investment securities		86,286	58,920	163,167	136,116
Other operating (loss) / income		(15,120)	31,163	33,040	60,199
Net operating income		1,117,026	1,243,356	2,248,130	2,492,706
Staff costs	15	(202,526)	(175,827)	(394,454)	(259,955)
Depreciation		(56,664)	(55,188)	(117,415)	(108,947)
Amortization of intangible assets		(6,720)	(18,569)	(14,464)	(35,321)
Other expenses		(72,450)	(84,255)	(162,622)	(166,446)
Operating expenses		(338,360)	(333,839)	(688,955)	(570,669)
Operating profit		778,666	909,517	1,559,175	1,922,037
Net impairment reversals / (losses) on investment securities		364	9,091	(8,163)	9,150
Net impairment losses on loans and advances to customers		(166,092)	(163,364)	(244,100)	(293,733)
Net impairment losses on other financial assets		(7,016)	(11,502)	(56,923)	(25,519)
Other provision reversals / (losses)		26,601	(20,696)	13,924	(116,844)
		632,523	723,046	1,263,913	1,495,091
Net monetary losses due to hyperinflation		(47,194)	(39,814)	(71,689)	(80,388)
Profit before share of results of associates and a joint arrangement		585,329	683,232	1,192,224	1,414,703
Share of results of associates and a joint arrangement		98,352	79,508	195,516	158,226
Profit before tax		683,681	762,740	1,387,740	1,572,929
Income tax	16	(73,731)	6,589	(126,379)	(1,977)
Profit for the period		609,950	769,329	1,261,361	1,570,952
Attributable to:					
Equity Holders of the bank		609,950	769,329	1,261,361	1,570,952
Non-controlling interests		-	-	-	-
Profit for the period		609,950	769,329	1,261,361	1,570,952
Basic/diluted earnings per share (QAR)	17	0.16	0.20	0.32	0.40

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.



The Commercial Bank (P.S.Q.C.)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2025



QAR '000s

	Three months ended		Six months ended	
	30-Jun-2025	30-Jun-2024	30-Jun-2025	30-Jun-2024
	Reviewed	Reviewed	Reviewed	Reviewed
Profit for the period	609,950	769,329	1,261,361	1,570,952
Other comprehensive (loss) / income for the period				
Items that are, or may be subsequently reclassified to consolidated statement of income:				
Foreign currency translation differences from foreign operation	(117,389)	(14,152)	(1,300,552)	(589,516)
Hyperinflation impact	97,993	98,526	965,775	760,042
Share of other comprehensive income / (loss) of investment in associates and a joint arrangement	10,327	(3,627)	17,162	3,726
Net movement in cashflow hedge reserve:				
Net movement in cash flow hedges-effective portion of changes in fair value	(3,991)	(2,505)	(2,513)	103,379
Net amount transferred to consolidated statement of income	-	21,988	-	21,988
Net change in fair value of investments in debt securities at FVOCI :				
Net change in fair value	(13,619)	(44,354)	54,692	(124,588)
Net amount transferred to interim consolidated statement of income	61	(89)	61	(145)
Items that may not be subsequently reclassified to consolidated statement of income:				
Net change in fair value of equity investments at FVOCI	(12,710)	31,804	(1,518)	(17,840)
Share of other comprehensive income of investment in associates and a joint arrangement	33,165	3,326	22,598	1,927
Revaluation on land and buildings	4,407	4,562	8,480	62,804
Other comprehensive (loss) / income for the period	(1,756)	95,479	(235,815)	221,777
Total comprehensive income for the period	608,194	864,808	1,025,546	1,792,729
Attributable to:				
Equityholders of the bank	608,194	864,808	1,025,546	1,792,729
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	608,194	864,808	1,025,546	1,792,729

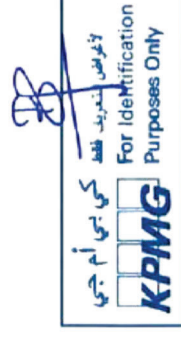
The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.





Notes	Share Capital	Legal Reserve	General Reserve	Risk Reserve	Fair Value Reserve	Cash Flow Hedge reserve	Foreign Currency Translation Reserve	Other Reserves	Revaluation Reserve	Employees Incentive phantom scheme shares	Retained Earnings	Instruments Eligible for Additional Tier 1 Capital	Total Equity Attributable to Equity Holders of the Bank	Non-Controlling Interests	Total Equity
Balance as at 1 January 2025	4,047,254	10,203,933	26,500	2,274,574	(557,990)	(6,127)	(2,464,328)	1,420,600	1,251,466	(1,114,988)	5,587,847	5,820,000	26,488,741	3	26,488,744
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,261,361	-	1,261,361	-	1,261,361
Other comprehensive (loss) / income	-	-	-	-	92,995	(2,513)	(334,777)	-	8,480	-	1,261,361	-	(235,815)	-	(235,815)
Total comprehensive income for the period	-	-	-	-	92,995	(2,513)	(334,777)	-	8,480	-	1,261,361	-	1,025,546	-	1,025,546
Transfer to legal reserve	-	32,332	-	-	-	-	-	-	-	-	(32,332)	-	-	-	-
Dividend for instruments eligible for additional Tier 1 capital	-	-	-	-	-	-	-	-	-	-	(40,950)	-	(40,950)	-	(40,950)
Net movement in other reserves	-	-	-	-	-	-	-	143,846	-	-	(143,846)	-	-	-	-
Net movement in the employees incentive phantom scheme shares	-	-	-	-	-	-	-	-	-	-	57,830	-	57,830	-	57,830
Dividends for the year 2024	-	-	-	-	-	-	-	-	-	-	(1,214,176)	-	(1,214,176)	-	(1,214,176)
Balance as at 30 June 2025	4,047,254	10,236,265	26,500	2,274,574	(464,995)	(8,640)	(2,799,105)	1,564,446	1,259,946	(1,114,988)	5,475,734	5,820,000	26,316,991	3	26,316,994
Balance as at 1 January 2024	4,047,254	10,024,432	26,500	2,274,574	(390,373)	(163,970)	(2,718,529)	1,137,954	1,140,161	(1,139,524)	4,347,343	5,820,000	24,405,822	3	24,405,825
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,570,952	-	1,570,952	-	1,570,952
Other comprehensive (loss) / income	-	-	-	-	(136,920)	125,367	170,526	-	62,804	-	-	-	221,777	-	221,777
Total comprehensive income for the period	-	-	-	-	(136,920)	125,367	170,526	-	62,804	-	1,570,952	-	1,792,729	-	1,792,729
Transfer to legal reserve	-	192,691	-	-	-	-	-	-	-	-	(192,691)	-	-	-	-
Dividend for instruments eligible for additional Tier 1 capital	-	-	-	-	-	-	-	-	-	-	(40,950)	-	(40,950)	-	(40,950)
Net movement in other reserves	-	-	-	-	-	-	-	111,134	-	-	(111,134)	-	-	-	-
Net movement in the employees incentive phantom scheme shares	-	-	-	-	-	-	-	-	-	24,536	41,916	-	66,452	-	66,452
Dividends for the year 2023	-	-	-	-	-	-	-	-	-	-	(1,011,814)	-	(1,011,814)	-	(1,011,814)
Balance as at 30 June 2024	4,047,254	10,217,123	26,500	2,274,574	(527,293)	(38,603)	(2,548,003)	1,249,088	1,202,965	(1,114,988)	4,603,622	5,820,000	25,212,239	3	25,212,242

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

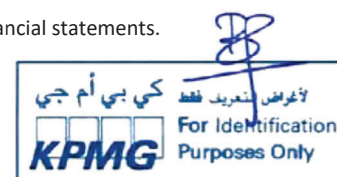


The Commercial Bank (P.S.Q.C.)
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

QAR '000s

	Six months ended		Year ended
	30-Jun-2025	30-Jun-2024	31-Dec-2024
	Reviewed	Reviewed	Audited
Cash flows from operating activities			
Profit before tax	1,387,740	1,572,929	3,013,664
<i>Adjustments for:</i>			
Net impairment losses on loans and advances to customers	244,100	293,733	330,371
Net impairment losses / (reversals) losses on investment securities	8,163	(9,150)	(22,037)
Net impairment losses / (reversals) on other financial assets	56,923	25,519	(97,278)
Depreciation	117,415	108,947	221,579
Amortization of intangible assets and transaction costs	48,208	60,685	99,361
Net income from investment securities	(9,466)	(12,986)	(30,837)
Net monetary losses due to hyperinflation	71,689	80,388	256,108
Other provisions	(13,924)	116,844	768
Loss on disposal of property and equipment	975	1,900	131,761
Share of results of associates and a joint arrangement	(195,516)	(158,226)	(329,739)
Operating profit before working capital changes	1,716,307	2,080,583	3,573,721
<i>Working capital changes</i>			
Change in due from banks	2,793,862	(1,803,762)	(3,435,282)
Change in loans and advances to customers	(13,119,135)	(995,925)	(766,507)
Change in other assets	(372,845)	(233,912)	(138,797)
Change in due to banks	765,019	(2,709,774)	1,954,846
Change in customer deposits	6,949,495	953,923	1,064,544
Change in other liabilities	7,887,332	(630,671)	(4,428,278)
Contribution to social and sports fund	(75,802)	(75,256)	(75,257)
Cash from / (used in) operation	6,544,233	(3,414,794)	(2,251,010)
Income tax credit / (paid)	-	5,928	(14,560)
Net cash flows from / (used in) operating activities	6,544,233	(3,408,866)	(2,265,570)
Cash flows from investing activities			
Acquisition of investment securities	(6,977,903)	(4,808,493)	(13,557,821)
Dividend received from associates and a joint arrangement	51,490	47,093	47,093
Proceeds from sale/maturity of investment securities	4,100,310	6,193,865	10,807,371
Acquisition of property and equipment and intangible assets	(69,998)	(103,927)	(189,262)
Proceeds from the sale of property and equipment and other assets	3,654	9,797	4,462
Net cash flows (used in) / from investing activities	(2,892,447)	1,338,335	(2,888,157)
Cash flows from financing activities			
Proceeds from issue of debt securities	1,665,652	3,152,206	5,364,990
Repayment of debt securities	(1,390,653)	(955,378)	(2,471,279)
Repayment of other borrowings	(3,072,097)	(5,563,219)	(9,812,520)
Proceeds from other borrowings	1,931,497	2,450,085	9,317,130
Payment of lease liabilities	(65,908)	(74,654)	(143,350)
Payment on coupon of instruments eligible for additional Tier 1 Capital	(40,950)	(40,950)	(283,720)
Dividends paid (note 14)	(1,214,176)	(1,011,814)	(1,011,814)
Net cash flows (used in) / from financing activities	(2,186,635)	(2,043,724)	959,437
Net increase/(decrease) in cash and cash equivalents	1,465,151	(4,114,255)	(4,194,290)
Effect of exchange rate fluctuation	1,529,033	146,984	(574,870)
Cash and cash equivalents as at 1 January	10,857,362	15,626,522	15,626,522
Cash and cash equivalents at the end of the period / year (Note 19)	13,851,546	11,659,251	10,857,362
Net cash flows from interest and dividend:			
Interest paid	3,207,897	3,012,769	6,205,986
Interest received	4,569,848	5,100,870	9,339,976
Dividend received	153,701	123,131	230,836

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.



1- REPORTING ENTITY

The Commercial Bank (P.S.Q.C.) (the "Bank") is an entity domiciled in the State of Qatar and was incorporated in 1974 as a public shareholding company under Emiri Decree No.73 of 1974. The commercial registration number of the Bank is 150. The address of the Bank's registered office is PO Box 3232, Doha, State of Qatar. The interim condensed consolidated financial statements of the Bank comprise the Bank and its subsidiaries (together referred to as the "Group"). The Group is primarily engaged in conventional banking, brokerage services and the credit card business and operates through its head office, branches and subsidiaries.

The principal subsidiaries of the Group are as follows:

<u>Name of subsidiary</u>	<u>Country of incorporation</u>	<u>Capital of the subsidiary</u>	<u>Activity of the subsidiary</u>	<u>Percentage of ownership</u>	
				<u>30 Jun 2025</u>	<u>30 Jun 2024</u>
Alternatifbank A.S.	Turkey	TRY 2,213,740,000	Banking services	100%	100%
Commercial Bank Financial Services L.L.C.	Qatar	QAR 700,000,000	Brokerage services	100%	100%
CBQ Finance Limited	Bermuda	US\$ 1,000	Debt issuance for the Bank	100%	100%

2- BASIS OF PREPARATION

Statement of compliance

The accompanying interim condensed consolidated financial statements are prepared in accordance with IAS 34 - "Interim Financial Reporting". This interim condensed consolidated financial information should be read in conjunction with the 2024 annual consolidated financial statements of the Group.

The interim condensed consolidated financial statements do not include all the information and disclosures required for full consolidated financial statements prepared in accordance with IFRS Accounting Standards ("IFRS"). The results for the six months ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The preparation of the interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

3- MATERIAL ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these interim condensed consolidated financial statements are the same as those applied in the last annual consolidated financial statements as at 31 December 2024.

New standards, amendments and interpretations :

The Group has adopted the following new and amended IFRS Accounting Standards as of 1 January 2025. The adoption of the below did not result in changes to previously reported net profit or equity of the Group.

Lack of Exchangeability – Amendments to IAS 21	Effective from 1 January 2025
Standard Issued but not yet Effective	
The Group is currently evaluating the impact of these amendments. The Group will adopt it when the amendments become effective.	
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18, Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred indefinitely

3- MATERIAL ACCOUNTING POLICIES (continued)**Application of IAS 29 - Hyperinflation accounting**

From 1 April 2022, the Turkish economy is considered to be hyperinflationary in accordance with the criteria in IAS 29. This requires purchasing power adjustment to the carrying values of the non-monetary assets and liabilities and to items in the consolidated statement of comprehensive income with respect to subsidiaries of the Group operating in Turkey.

On the application of IAS 29 the Bank used the conversion factor derived from the consumer price index ("CPI") in Turkey.

The index and corresponding conversion factors are as follows:

	CPI	Conversion Factors
30 June 2024	2,319.29	1.35
31 December 2024	2,684.55	1.17
30 June 2025	3,132.17	1.00

Monetary assets and liabilities are not restated because they are already expressed in terms of the monetary unit current. Non-monetary assets and liabilities are restated by applying the relevant index from the date of acquisition or initial recording and are subject to impairment assessment with the guidance in the relevant IFRS. The components of shareholders' equity are restated by applying the applicable general price index from the dates when components were contributed or otherwise arose.

All items in the statement of income are restated by applying the relevant conversion factors, except for restatement of certain specific income statement items which arise from the restatement of non-monetary assets and liabilities like amortization and gain or loss on sale of fixed assets.

The gain or loss on the net monetary position is the result of the effect of general inflation and is the difference resulting from the restatement of non-monetary assets, liabilities, shareholders' equity and income statement items. The gain or loss on the net monetary position is included in the statement of income.

The Commercial Bank (P.S.Q.C.)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2025



QAR '000s

4- FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements as at and for the year ended 31 December 2024.

Exposures and Movement in ECL

Exposure (Carrying Value) Subject to ECL	30-Jun-2025 (Reviewed)				31-Dec-2024 (Audited)
	Stage1	Stage2	Stage3	Total	Total
Due from banks and balances with central banks	24,862,262	3,004,120	-	27,866,382	26,690,292
Loans and advances to customers	83,271,306	19,012,505	5,983,324	108,267,135	95,464,167
Investment securities (Debt)	31,934,547	228,963	-	32,163,510	31,489,320
Loan commitments and financial guarantees	33,400,503	1,502,844	74,566	34,977,913	35,600,665

Movement in ECL

	30-Jun-2025 (Reviewed)				31-Dec-2024 (Audited)
	Stage1	Stage2	Stage3	Total	
Opening Balance as at 1 January					
Due from banks and balances with central banks	30,717	17,591	-	48,308	62,481
Loans and advances to customers	222,408	1,504,871	3,102,389	4,829,668	5,940,758
Investment securities (Debt)	30,478	4,607	-	35,085	57,160
Loan commitments and financial guarantees	35,037	16,335	72,269	123,641	204,839
	318,640	1,543,404	3,174,658	5,036,702	6,265,238
ECL charge / (reversals) for the Period (net)					
Due from banks and balances with central banks	18,170	27,240	-	45,410	(14,126)
Loans and advances to customers*	18,812	80,174	364,765	463,751	1,124,766
Investment securities (Debt)	9,821	(1,658)	-	8,163	(22,037)
Loan commitments and financial guarantees	10,855	2,763	(2,105)	11,513	(83,152)
	57,658	108,519	362,660	528,837	1,005,451
Write offs / Transfer					
Due from banks and balances with central banks	-	-	-	-	-
Loans and advances to customers	-	-	(27,229)	(27,229)	(2,258,811)
Investment securities (Debt)	-	-	-	-	-
Loan commitments and financial guarantees	-	-	-	-	-
	-	-	(27,229)	(27,229)	(2,258,811)
Exchange differences					
Due from banks and balances with central banks	(61)	-	-	(61)	(47)
Loans and advances to customers	(11,094)	8,886	(3,621)	(5,829)	22,955
Investment securities (Debt)	(105)	-	-	(105)	(38)
Loan commitments and financial guarantees	107	1,244	(2,488)	(1,137)	1,954
	(11,153)	10,130	(6,109)	(7,132)	24,824
Closing Balance as at 30 June/31 December					
Due from banks and balances with central banks	48,826	44,831	-	93,657	48,308
Loans and Advances to Customers	230,126	1,593,931	3,436,304	5,260,361	4,829,668
Investment securities (Debt)	40,194	2,949	-	43,143	35,085
Loan commitments and financial guarantees	45,999	20,342	67,676	134,017	123,641
	365,145	1,662,053	3,503,980	5,531,178	5,036,702

* Includes interest suspended amounting to QAR 187 million (30 June 2024: QAR 96 million).

The net impairment loss on loans and advances to customers in the income statement includes QAR 33 million recoveries from the loans & advances previously written off for the period ended 30 June 2025 (30 June 2024: QAR 45 million).

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4- FINANCIAL RISK MANAGEMENT (continued)
Exposures and Movement in ECL

	30-Jun-2024 (Reviewed)			
	Stage1	Stage2	Stage3	Total
Exposure (Carrying Value) Subject to ECL				
Due from banks and balances with central banks	23,142,162	2,622,521	-	25,764,683
Loans and advances to customers	71,457,958	20,408,426	5,752,894	97,619,278
Investment Securities (Debt)	24,724,888	260,884	-	24,985,772
Loan commitments and financial guarantees	30,344,113	1,745,438	195,280	32,284,831
Movement in ECL				
Opening Balance as at 1 January 2024				
Due from banks and balances with central banks	43,475	19,006	-	62,481
Loans and advances to customers	183,563	1,779,601	3,977,594	5,940,758
Investment Securities (Debt)	51,808	5,352	-	57,160
Loan commitments and financial guarantees	23,778	9,292	171,769	204,839
	302,624	1,813,251	4,149,363	6,265,238
ECL charge / (reversals) for the Period (net)				
Due from banks and balances with central banks	(1,731)	2,041	-	310
Loans and advances to customers	51,873	44,800	338,208	434,881
Investment Securities (Debt)	(8,752)	(398)	-	(9,150)
Loan commitments and financial guarantees	21,200	3,248	761	25,209
	62,590	49,691	338,969	451,250
Write offs / Transfer				
Due from banks and balances with central banks	-	-	-	-
Loans and advances to customers	-	-	(2,126)	(2,126)
Investment Securities (Debt)	-	-	-	-
Loan commitments and financial guarantees	-	-	-	-
	-	-	(2,126)	(2,126)
Exchange differences				
Due from banks and balances with central banks	(19)	-	-	(19)
Loans and advances to customers	(12,678)	14,443	(5,003)	(3,238)
Investment Securities (Debt)	(10)	-	-	(10)
Loan commitments and financial guarantees	(920)	(57)	(149)	(1,126)
	(13,627)	14,386	(5,152)	(4,393)
Closing Balance as at 30 June 2024				
Due from banks and balances with central banks	41,725	21,047	-	62,772
Loans and advances to customers	222,758	1,838,844	4,308,673	6,370,275
Investment Securities (Debt)	43,046	4,954	-	48,000
Loan commitments and financial guarantees	44,058	12,483	172,381	228,922
	351,587	1,877,328	4,481,054	6,709,969

5- SEGMENT INFORMATION

Segment assets and liabilities comprise operating assets and liabilities which are directly handled by the operating segment and income or expenses are attributed with the assets and liabilities' ownership. The following table summarizes performance of the operating segments:

30 June 2025 (Reviewed)

	Qatar Operations			Unallocated, Intra - group transactions and others	Total
	Wholesale Banking	Retail Banking	International		
Net interest income	942,461	535,711	133,262	(1,070)	1,610,364
Net fee, commission and other income	249,151	364,180	5,004	19,431	637,766
Segmental revenue	1,191,612	899,891	138,266	18,361	2,248,130
Net impairment losses on investment securities	(7,994)	-	(169)	-	(8,163)
Net impairment losses on loans and advances to customers and other financial assets	(252,693)	(44,180)	(4,150)	-	(301,023)
Segmental profit	712,996	557,162	(107,076)	(97,237)	1,065,845
Share of results of associates and a joint arrangement	-	-	194,584	932	195,516
Net profit for the period	712,996	557,162	87,508	(96,305)	1,261,361
Other information					
Loans and advances to customers	85,183,962	12,766,470	5,837,138	-	103,787,570
Investments in associates and a joint arrangement	-	-	3,834,952	8,002	3,842,954
Assets (other than above)	63,328,517	2,552,571	4,520,985	4,031,562	74,433,635
					182,064,159
Customer deposits	51,284,096	28,389,314	3,965,307	(100,093)	83,538,624
Liabilities (other than above)	65,146,865	1,112,972	4,617,730	1,330,974	72,208,541
					155,747,165
Contingent liabilities	30,017,332	1,383,875	3,576,706	-	34,977,913

Intra-group transactions are eliminated from this segmental information (Assets: QAR 4,744 million, Liabilities: QAR 1,401 million).

30 June 2024 (Reviewed)

	Qatar Operations			Unallocated, Intra - group transactions and others	Total
	Wholesale Banking	Retail Banking	International		
Net interest income	1,137,957	529,363	202,984	(3,627)	1,866,677
Net fee, commission and other income	(67,564)	365,132	(40,383)	368,844	626,029
Segmental revenue	1,070,393	894,495	162,601	365,217	2,492,706
Net impairment losses on investment securities	9,151	-	(1)	-	9,150
Net impairment loss on loans and advances to customers and other financial assets	(263,172)	(102,362)	46,282	-	(319,252)
Segmental profit	698,769	520,162	(2,900)	196,695	1,412,726
Share of results of associates and a joint arrangement	-	-	156,693	1,533	158,226
Net profit for the period	698,769	520,162	153,793	198,228	1,570,952
Other information					
Loans and advances to customers	75,510,512	12,219,306	4,375,117	-	92,104,935
Investments in associates and a joint arrangement	-	-	3,482,656	7,438	3,490,094
Assets (other than above)	55,451,831	2,354,998	3,354,889	4,038,566	65,200,284
					160,795,313
Customer deposits	48,969,447	25,647,170	2,690,261	(108,072)	77,198,806
Liabilities (other than above)	52,019,773	1,682,863	3,155,214	1,526,415	58,384,265
					135,583,071
Contingent liabilities	27,578,453	1,243,694	3,462,684	-	32,284,831

Intra-group transactions are eliminated from this segmental information (Assets: QAR 4,806 million, Liabilities: QAR 1,781 million).

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6- LOANS AND ADVANCES TO CUSTOMERS

Loans and advances to customers comprises:	30-Jun-2025	30-Jun-2024	31-Dec-2024
	Reviewed	Reviewed	Audited
Loans	91,444,078	85,708,395	86,168,526
Overdrafts	7,591,542	7,179,051	8,590,469
Bills discounted	101,810	73,670	101,010
Bankers acceptances	9,131,312	4,660,288	606,015
	<u>108,268,742</u>	<u>97,621,404</u>	<u>95,466,020</u>
Deferred profit	(1,607)	(2,126)	(1,853)
	<u>108,267,135</u>	<u>97,619,278</u>	<u>95,464,167</u>
Accrued interest	780,796	855,932	845,509
Allowance for impairment of loans and advances to customers*	(3,436,304)	(4,308,673)	(3,102,389)
ECL on loans and advances to customers	<u>(1,824,057)</u>	<u>(2,061,602)</u>	<u>(1,727,279)</u>
Net loans and advances to customers	<u>103,787,570</u>	<u>92,104,935</u>	<u>91,480,008</u>

The aggregate amount of non-performing loans and advances to customers as at 30 June 2025 amounted to QAR 5,983 million which represents 5.5% of total loans and advances to customers (30 June 2024: QAR 5,753 million, 5.9% of total loans and advances to customers; 31 December 2024: QAR 5,877 million, 6.2% of total loans and advances to customers).

*Allowance for impairment includes QAR 958 million of interest in suspense (30 June 2024: QAR 653 million; 31 December 2024: QAR 777 million).

7- INVESTMENT SECURITIES

Investment securities comprise the following:	30-Jun-2025	30-Jun-2024	31-Dec-2024
	Reviewed	Reviewed	Audited
Fair value through other comprehensive income (FVOCI)	8,524,420	5,970,568	7,476,589
Fair value through profit & loss (FVTPL)	1,910,563	1,889,096	1,873,918
Amortized cost (AC)	24,839,548	20,177,013	23,428,254
Accrued interest	530,915	381,995	449,864
Total	<u>35,805,446</u>	<u>28,418,672</u>	<u>33,228,625</u>

The carrying value of investment securities pledged under Repurchase agreements (REPO) is QAR 9,600 million (30 June 2024: QAR 6,870 million; 31 December 2024: QAR 5,685 million).

Expected Credit losses of debt securities measured at FVOCI and AC amounted to QAR 43.1 million at 30 June 2025 (30 June 2024: QAR 48.0 million and 31 December 2024: QAR 35.1 million).

8- INVESTMENT IN ASSOCIATES AND A JOINT ARRANGEMENT

For the reporting period ended 30 June 2025, the percentage of ownership for the investment in associates and a joint arrangement was the same as reported as at and for the year ended 31 December 2024. At 30 June 2025, the Bank has recorded the share of profit for the investment in associates and a joint arrangement based on management accounts.

9- DUE TO BANKS

	30-Jun-2025 Reviewed	30-Jun-2024 Reviewed	31-Dec-2024 Audited
Balances due to central banks	1,461,886	1,100,865	894,568
Current accounts	664,001	388,954	217,429
Placement with banks	11,180,522	8,816,677	14,731,759
Repurchase agreements with banks	8,675,261	5,619,295	4,759,249
Accrued interest	190,263	150,092	237,276
Total	22,171,933	16,075,883	20,840,281

10- CUSTOMER DEPOSITS

	30-Jun-2025 Reviewed	30-Jun-2024 Reviewed	31-Dec-2024 Audited
Current and call deposits	28,770,390	26,173,255	25,744,025
Saving deposits	6,209,053	5,578,442	5,685,232
Time deposits	48,046,583	44,443,476	44,937,332
Accrued interest	512,598	1,003,633	640,228
Total	83,538,624	77,198,806	77,006,817

11- DEBT SECURITIES

	30-Jun-2025 Reviewed	30-Jun-2024 Reviewed	31-Dec-2024 Audited
EMTN Unsecured Programme – Senior Unsecured Notes	9,769,830	9,132,604	9,243,192
Senior Notes	69,925	-	30,879
Subordinated Notes	-	3,141	-
Others	1,475,463	88,472	1,364,905
Accrued interest	108,594	95,254	95,914
Total	11,423,812	9,319,471	10,734,890

12- OTHER BORROWINGS

	30-Jun-2025 Reviewed	30-Jun-2024 Reviewed	31-Dec-2024 Audited
Bilateral loans	14,859,258	9,915,153	11,159,510
Syndicated loans	8,071,669	10,949,296	9,970,404
Others	1,360,583	1,903,246	3,401,472
Accrued interest	171,318	211,858	198,269
Total	24,462,828	22,979,553	24,729,655

13- EQUITY

On 22 May 2025, the Board of Directors of The Commercial Bank (P.S.Q.C.) approved share repurchase to buy back a percentage of the Bank's shares, subject to obtaining relevant regulatory approvals from Qatar Central Bank and Qatar Financial Markets Authority.

(a) Share capital

	30-Jun-2025 Reviewed	30-Jun-2024 Reviewed	31-Dec-2024 Audited
Authorised number of ordinary shares	4,047,253,750	4,047,253,750	4,047,253,750
Nominal value of ordinary shares (QAR)	1	1	1
Issued and paid up capital (in thousands of Qatar Riyals)	4,047,254	4,047,254	4,047,254

(b) Employee incentive phantom scheme shares

Employee incentive phantom scheme shares represents the shares held by SPVs. These entities hold employee incentive phantom scheme shares on behalf of the Bank in order to hedge the referenced equity price exposure associated with the cash settled share-based employee benefit scheme being run by the Group. These SPVs are not legally owned by the Group. However, an IFRS 10 consolidation assessment has led the Group to consolidate the structure and to recognize the underlying phantom scheme shares in the interim condensed consolidated financial statements. The underlying shares are not legally owned by the Bank and it does not possess voting right associated with these shares.

14- DIVIDEND

A cash dividend of 30% for the year 2024 (2023: 25% cash dividend), was approved at the Annual General Assembly held on 20 March 2025 (2023: 1 April 2024) and distributed to shareholders.

15- STAFF COSTS

Staff costs include expense of QAR 7.8 million for the period ended 30 June 2025 (30 June 2024 : credit of QAR 84.6 million) with respect to performance rights.

16- INCOME TAX

The Group is subject to the global minimum top-up tax under Pillar Two tax legislation. The top-up tax relates to the Group's operations in the State of Qatar ('Qatar').

On 27 March 2025, Qatar published in the Official Gazette, Law No. 22 of 2024 amending specific provisions of the Income Tax Law promulgated under Law No. 24 of 2018 by introducing Domestic Minimum Top-up Tax ('DMTT') and Income Inclusion Rule ('IIR') with a minimum effective tax rate of 15%. The amendments are effective from 1 January 2025 and the related regulations on implementation, compliance and administrative provisions are expected to be issued by the General Tax Authority in the near future which result in adjustments to amounts reported. The Group also operates in Turkey where it benefits from safe harbors, and hence not subjected to Pillar Two top-up tax.

The Group recognised a current tax expense of QAR 112.9 million related to the top-up tax in the six-month period ended 30 June 2025 (six-month period ended 30 June 2024: Nil).

The Group has applied a mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

16- INCOME TAX (continued)

	Six months ended	
	30-Jun-2025	30-Jun-2024
	Reviewed	Reviewed
Profit before tax	1,387,740	1,572,929
Current income tax expense	(13,520)	(1,977)
Profit before Pillar Two Tax	1,374,220	1,570,952
Pillar Two Tax - Qatar	(112,859)	-
Profit for the period	1,261,361	1,570,952

17- EARNINGS PER SHARE

Earnings per share of the Group is calculated by dividing profit for the period attributable to the equity holders of the Bank by the weighted average number of ordinary shares in issue during the period:

	Three months ended		Six months ended	
	30-Jun-2025	30-Jun-2024	30-Jun-2025	30-Jun-2024
	Reviewed	Reviewed	Reviewed	Reviewed
Basic and diluted				
Profit attributable to the equity holders of the bank	609,950	769,329	1,261,361	1,570,952
Less: Dividend on Instrument eligible for additional capital	-	-	(40,950)	(40,950)
	609,950	769,329	1,220,411	1,530,002
Weighted average number of outstanding ordinary shares in thousands	4,047,254	4,047,254	4,047,254	4,047,254
Less: Employee incentive phantom scheme shares	(192,765)	(192,765)	(192,765)	(192,765)
	3,854,489	3,854,489	3,854,489	3,854,489
Basic/diluted earnings per share (QAR)	0.16	0.20	0.32	0.40

18- CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	30-Jun-2025	30-Jun-2024	31-Dec-2024
	Reviewed	Reviewed	Audited
a- Contingent liabilities			
Unutilized credit facilities	15,098,519	13,667,240	15,765,695
Guarantees	16,084,870	15,908,369	16,451,572
Letters of credit	3,794,524	2,709,222	3,383,398
Total	34,977,913	32,284,831	35,600,665
b- Other commitments			
Derivative financial instruments (notional)	28,419,601	31,000,684	29,705,597
Capital commitments	231,952	332,765	118,011
Total	28,651,553	31,333,449	29,823,608

19- CASH AND CASH EQUIVALENTS

	30-Jun-2025	30-Jun-2024	31-Dec-2024
	Reviewed	Reviewed	Audited
Cash and balances with central banks *	2,438,740	3,281,204	2,561,992
Due from banks up to 90 days	11,412,806	8,378,047	8,295,370
	13,851,546	11,659,251	10,857,362

* Cash and balances with central banks exclude the mandatory cash reserve.

20- VALUATION OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

30-Jun-2025 (Reviewed)	Level 1	Level 2	Level 3	Carrying amount
Derivative assets	-	1,079,153	-	1,079,153
Investment securities	8,904,298	1,441,968	88,717	10,434,983
	8,904,298	2,521,121	88,717	11,514,136
Derivative liabilities	-	426,978	-	426,978
	-	426,978	-	426,978
31-Dec-2024 (Audited)	Level 1	Level 2	Level 3	Carrying amount
Derivative assets	-	498,274	-	498,274
Investment securities	8,545,353	709,638	95,516	9,350,507
	8,545,353	1,207,912	95,516	9,848,781
Derivative liabilities	-	976,377	-	976,377
	-	976,377	-	976,377

There were no changes in the Group's valuation process, valuation techniques, and type of inputs used in the fair value measurement during the period.

21- CAPITAL ADEQUACY

	30-Jun-2025 Reviewed	30-Jun-2024 Reviewed	31-Dec-2024 Audited
Common Equity Tier 1 (CET 1) Capital	17,052,888	16,335,064	16,183,136
Additional Tier 1 (AT 1) Instruments	4,447,032	4,455,728	4,449,398
Additional Tier 2 Capital	2,031,274	1,940,624	1,953,282
Total eligible capital	23,531,194	22,731,416	22,585,816
Risk weighted assets	136,948,161	131,861,115	131,653,868
Total capital ratio	17.2%	17.2%	17.2%

The Group follows Basel III Capital Adequacy Ratio (CAR) calculation in accordance with Qatar Central Bank (QCB) regulations. The minimum accepted total Capital Adequacy Ratio requirements under Basel III as per QCB Requirements is as follows:

- Minimum limit without Capital Conservation buffer is 10%
- Minimum limit including Capital Conservation buffer, ICAAP buffer and the applicable Domestically Systemically 2024: 14.4%).

22- RELATED PARTY DISCLOSURE

The Group carries out various transactions with subsidiaries, associates and joint arrangement companies, members of the Board of Directors, the executive management or companies in which they have significant interest or any other parties of important influence in the Group's financial or operating decisions. The balances at the reporting date with these accounts were as follows:

	30-Jun-2025 Reviewed	30-Jun-2024 Reviewed	31-Dec-2024 Audited
Board members of the Bank			
Loans, advances and financing activities (a)	1,558,928	1,597,403	1,557,630
Deposits	1,002,272	871,888	773,357
Contingent liabilities and other commitments	5,527	6,237	5,337
Interest and fee income received	36,985	106,464	197,283
Interest paid on deposits	18,361	30,272	50,828
Remuneration	-	-	25,500
Associates and joint arrangement companies			
Due from banks	6,158	2,579	6,808
Due to banks	1,889	2,591	1,740
Deposits	1,508	4,238	7,126
Contingent liabilities	16,382	23,420	20,997
Interest earned from Associates	-	10	13
Interest paid to associates	866	4,823	5,888
Senior management of the bank			
Remuneration and other benefits (b)	26,769	27,054	52,842
Loans and advances	8,856	7,433	7,684

(a) A significant portion of the loans, advances and financing activities' balance at 30 June 2025 with the members of the Board and the companies in which they have significant influence, are secured against tangible collateral or personal guarantees. Moreover, the loans and advances are performing satisfactorily honoring all obligations.

(b) In addition to the above remuneration and other benefits, employees of the bank including the senior management have been granted performance rights. For the six months period ended 30 June 2025, the expense of performance rights for the senior management was QAR 3.8 million (30 June 2024: credit of QAR 26.8 million and 31 December 2024: cost of QAR 19.9 million).